

ultimately the objectives that we all wish to achieve in the developing world.

I am pleased to highlight that microenterprise institutions are very successful in raising private funds in conjunction with those provided by our government. These efforts are commendable and should be replicated in other foreign assistance programs as well. It is precisely this approach of having the private and public sectors working together that will yield the results and genuine development that we all seek for the less fortunate of the globe.

By providing access to micro credit to the world's poor, our country stimulates the entrepreneurial spirit and helps to develop and stimulate the informal economies of some of the world's poorest countries. This investment, rather than a hand out, makes good sense and makes a true difference in the lives of the less fortunate.

Mr. Speaker, I wish to thank the microenterprise community, especially the Microenterprise Coalition, including FINCA, Action International, and Results for their constructive suggestions and assistance. I am also grateful for the assistance provided by the Administration and the staff of the Senate Foreign Relations Committee.

Mr. GEJDENSON. Reclaiming my time under my reservation, if I could just add, also, I would like to thank the gentleman from Arizona (Mr. KOLBE), the gentlewoman from Florida (Ms. ROS-LEHTINEN) and the chairman, as well, for their work on the anti-corruption portions of this conference report. This is an important piece of legislation. America has lost as much as \$26 billion to foreign bribes. We have now got our G-8 partners joining with us to fight corruption and bribery. This legislation will help build strong democracies globally.

Over the past five years, U.S. firms overseas lost nearly \$26 billion in business opportunities to foreign competitors offering bribes.

Unethical business practices continue to jeopardize our ability to compete effectively in the international market.

Bribery and other forms of corruption impede governments in their efforts to deliver basic services to their citizens; they undermine the confidence of people in democracy; and they are all too often linked with trans-border criminal activity, including drug-trafficking, organized crime, and money laundering.

In 1999, the Vice President convened a Global Conference on Fighting Corruption where he declared corruption to be a direct threat to the rule of law and a matter of profound political and social consequence for our efforts to strengthen democratic governments.

It is inarguably in the U.S. national interest to fight corruption and promote transparency and good governance.

My bill will make anti-corruption measures a key principle of our foreign aid program.

By helping these countries root out corruption, bribery and unethical business practices, we can also help create a level playing field for U.S. companies doing business abroad.

When Congress passed the Foreign Corrupt Practices Act in 1977, the United States became the first industrialized country to criminalize corruption. It took us nearly two dec-

ades to get all the other industrialized nations to do the same. But American leadership and perseverance succeeded in getting countries which once offered tax write-offs for bribes to pass laws that criminalized bribery.

This bill extends our leadership in fighting corruption to the developing countries.

The International Anti-Corruption and Good Governance Act of 2000 requires that foreign assistance be used to fight corruption at all levels of government and in the private sector in countries that have persistent problems with corruption, particularly where the United States has a significant economic interest.

The bill would also require an annual report on U.S. efforts in fighting corruption in those countries which have the most persistent problems. My intent in requiring this report is to get from the Administration a comprehensive look at all U.S. efforts—diplomatic as well as through our foreign aid program—in those 15–20 countries where we have a significant economic interest or a substantial foreign aid program and where there is a persistent problem with corruption.

This bill makes an important contribution to pro-actively preventing crises that would result from stifled economic growth, lack of foreign investment, and erosion of the public's trust in government.

Among other things, the act establishes anti-corruption and good governance programs as priorities within our foreign assistance programs. The act underscores the importance of our efforts to combat corruption and promote good governance overseas.

It will also allow administrations some flexibility in those relatively rare circumstances where developments on the ground, such as a coup or an economic crisis, would otherwise restrict it from acting through nongovernmental organizations.

Thus, provisions of law that would otherwise restrict assistance to foreign countries are made inapplicable, with certain exceptions, to assistance provided in furtherance of this act. Assistance that would have been prohibited except for this authority cannot be provided directly to the government of such a country, but can be provided to the government through grants and contracts with nongovernmental organizations.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the original request of the gentleman from New York?

There was no objection.

A motion to reconsider was laid on the table.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. QUINN). Without prejudice to the possible resumption of legislative business and under the Speaker's announced policy of January 6, 1999, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

FEDERAL RESERVE NOTES

The SPEAKER pro tempore. Under a previous order of the House, the gen-

tleman from Washington (Mr. METCALF) is recognized for 5 minutes.

Mr. METCALF. Mr. Speaker, I am certain that U.S. citizens would be furious if they realized that each person pays \$100 each year to the Federal Reserve to rent the paper money we use. Why do we each pay \$100 for the privilege of using Federal Reserve notes when we could use United States Treasury currency with no cost at all? If we issued our paper money the same way that we issue our coins, we could reduce the national debt by \$600 billion and eliminate \$30 billion out of annual payments, interest payments on the Treasury bonds, interest on the U.S. Treasury bonds held by the Federal Reserve supposedly to back the currency.

The Federal Reserve notes we use are technically liabilities of the Fed. It would be easy to fix this badly broken system. Congress need only pass a law declaring that all Federal Reserve notes are officially United States Treasury currency. This would relieve the Fed of all liability for our paper money, and they would then be required to return the bonds that they have held as backing for our currency presently.

We owe it to the citizens of our country to make every effort to reduce this foolish and costly burden.

COMMENDING IDAHO STUDENTS FOR TAKING THE PLEDGE TO SAVE OUR SCHOOLS FROM VIOLENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Idaho (Mr. SIMPSON) is recognized for 5 minutes.

Mr. SIMPSON. Mr. Speaker, tragic events often imprint on our minds vivid memories. Most Americans remember exactly where they were when President John F. Kennedy was killed or when the Challenger spaceship exploded. I believe Americans will remember where they were when two high school students in Littleton, Colorado, killed 13 innocent people.

As the Representative for Idaho's Second Congressional District, I clearly remember when I learned of the Columbine massacre. I was voting on a series of bills when a member of my staff pulled me to the television. I watched as students ran out of the school accompanied by SWAT teams. I witnessed a young man breaking a second store library window and falling into a fireman's arms in order to escape the rampage. These images will haunt America forever.

Unfortunately, school violence is too common today. In 1940, public school teachers ranked the top seven disciplinary problems in public schools. They were talking out of turn, chewing gum, making noise, running in the hall, cutting in line, dress code violations and littering. In 1990, the problems had

changed to drug and alcohol abuse, pregnancy, suicide, rape, robbery and assault. In the last 12 months alone the number of children bringing weapons to schools in Idaho is up more than 25 percent. Our problems have changed significantly and so must our solutions.

After the Columbine tragedy, I decided a dialogue must begin on the local level to bring about positive change rather than focusing on Federal legislation. I organized three town hall meetings in my district called Saving Our Schools, or SOS meetings. I invited the student body presidents to participate in a panel about school violence. Each president from the surrounding schools also signed an antiviolence pledge that they took back to their high schools.

Today, it is my pleasure to report that more than 5,000 students from over 40 Idaho high schools in my district took the pledge. The pledge reads: "I pledge to keep my school and community safe by never using violence to solve my disagreements and taking personal responsibility for my actions." Some of those Idaho high schools include Aberdeen High School, Blackfoot High School from which I graduated, Buhl, Burley, Butte, Castleford, Firth, and on and on.

The maturity and perception of the students during the town hall meetings and assemblies impressed me. Idaho holds top-notch students who care about their schools. School violence is not going away, and there is not just one answer. But my hope is that schools and communities will look for answers tailored to their needs to ensure schools are places of learning, not of fear.

I encourage my colleagues to initiate similar dialogues with the students, parents and school officials in the communities of their districts before tragedy strikes, not after. As we begin another school year, I hope my House colleagues will urge the students in their districts to take the pledge against violence in our Nation's schools.

PRESCRIPTION DRUGS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Ms. STABENOW) is recognized for 5 minutes.

Ms. STABENOW. Mr. Speaker, on April 12, I led an hour of debate of prescription drug coverage for senior citizens. I read three letters from around the state from seniors who shared their personal stories. On the 12th, I made a commitment to continue to read a different letter every week until the House enacts reform. That was six months ago. Although the House passed a prescription drug bill this summer, I believe it will not help most seniors. So, I will continue to read letters until Congress enacts a real Medicare prescription drug benefit. This week, I will read a letter from Harriet Simmons of Detroit, Michigan.

Text of the letter:

Dear Congresswoman STABENOW: I am writing to express my concern over the escalating cost of prescription drugs for seniors. As a senior myself, I must take the medicines prescribed by my doctor to maintain my health. The cost of these drugs can rise from month to month. Sometimes, I have had to purchase half of my medicine or take less so it will last longer.

The Michigan Emergency Pharmaceutical Program for Seniors provides temporary help for 3 months out of the year if you qualify. But, what are we to do the remaining 9 months? Many seniors are too young or just above the income guidelines to qualify. We need help in obtaining our prescriptions for the above cited reasons. I support your efforts to lower the cost of drugs for seniors.

I would like to add: We are senior citizens today but yesterday we were active, tax paying citizens. Don't mistreat us now. We need protection.

Sincerely,

HARRIETT SIMMONS.

Harriet deserves a genuine Medicare prescription drug benefit. Time is running out to do something in this Congress. We must enact real prescription drug reform before we adjourn.

SOCIAL SECURITY SOLVENCY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. SMITH) is recognized for 5 minutes.

Mr. SMITH of Michigan. Mr. Speaker, this is good news. I think, for people that are concerned with Social Security. Social Security is one of America's most important programs. I think we have missed a great opportunity in the last 8 years not to develop the kind of policy changes in Social Security that will for sure keep it solvent. Now it is part of the great debate, and I think it is important that we all understand a little better how the Social Security program works. Social Security benefits are a guaranteed act; and the fact is, is that there is going not to be enough money coming in from the payroll tax to pay benefits without some changes. The big change is a better return on the investments.

When Franklin Roosevelt created the Social Security program over 6 decades ago, he wanted it to feature a private sector component to build retirement income. Social Security was supposed to be one leg of a three-legged stool to support retirees. It was supposed to go hand in hand with personal savings and private pension plans. Of course, when it passed through the Senate, it is interesting. The Senate on two votes back in 1935 said that it had to be optional investments so individuals could invest their own money. Provisions were put into that law so that certain States and counties would be allowed to have alternative private investment plans, and now we are seeing counties in Texas and around the country that opted out of Social Security getting four or five, six, 10 times as much bene-

fits from their pension retirement plans that they own as opposed to what Social Security would pay.

The biggest risk is doing nothing at all in Social Security. One thing I am concerned about is President Clinton and Vice President GORE have suggested that we simply add huge, giant IOUs to the Social Security trust fund. The problem with that is that the full faith and credit of this country is good, but the way we pay back Treasury notes now is simply to borrow more money. If we are going to borrow \$20 trillion, it is going to tremendously change the economics of this country.

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Social Security has a total unfunded liability of over \$20 trillion. The Social Security trust fund contains nothing but IOUs. That means you have to either borrow the money to pay it back, increase taxes to pay it back, or you have to reduce benefits. We have to have two things very clear: No increase in taxes, and no reduction in benefits for existing or near-term retirees.

To keep paying the promised Social Security benefits, the payroll tax will have to be increased at least 50 percent of total income or benefits will have to be cut by one-third. Neither of those options are good.

In conclusion, this is the demonstrated problem of Social Security. We are in a short range up to for the next 12 to 15 years of a little more money coming in in the Social Security payroll tax than is needed to pay benefits. But then look what happens in the out years. Twenty trillion, in today's dollars, but in those dollars that are going to have to be paid out over and above what is coming in from the Social Security tax 50 or 60 years from now, it is going to be 120 trillion of those inflated future year dollars. Huge problems. It needs to be dealt with now. We have to get a better return on the investment.

The six principles of saving Social Security that I and Senator ROD GRAMS have come up with are: Protect the current and future beneficiaries; allow freedom of choice; preserve the safety net; make Americans better off, not worse off; create a fully funded system; and no increase in taxes.

Right now the average American worker pays more in the payroll FICA tax than in the income tax. Seventy-eight percent of American workers pay more in the FICA tax than they do the income tax. Let us not increase taxes on them again. Let us do something now, so we do not pass this burden on to our kids and grandkids.

RYAN WHITE CARE ACT

The SPEAKER pro tempore (Mr. QUINN). Under a previous order of the House, the gentlewoman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.